



OKLAHOMA  
Commerce

OKLAHOMA  
**ACES**  
A DIVISION OF THE OKLAHOMA  
DEPARTMENT OF COMMERCE

# Annual Report

## 2022



Vertical Aerospace - Bristow, Okla.



# Letter from the State Director of Aerospace and Defense

## Hopper T. Smith

Brigadier General (Retired)  
State Director of Aerospace & Defense  
[hopper.smith@okcommerce.gov](mailto:hopper.smith@okcommerce.gov)

### Oklahoma aerospace continues to track an upward trajectory.

Beginning with an economic study in 1999, Oklahoma began to purposefully integrate what many in the aerospace industry instinctively knew: Oklahoma was an ideal place for expansion in the aerospace market sector. About 15 years later, an additional study through the Oklahoma Aeronautics Commission provided more specificity, citing that Aerospace and Defense economic sector was second only to energy (oil and gas) in terms of economic impact in the state. The obvious implication was aerospace and defense was the place to bring a focused effort to economic development in our state.

In 2018, the Oklahoma Legislature passed the ACES (Aerospace Commerce Economic Services) Act to concentrate on aerospace and defense through the Department of Commerce. Anchored by one of the world's largest commercial MROs (maintenance, repair and overhaul) in Tulsa with American Airlines, coupled with one of the world's largest military MROs in OKC with Tinker Air Force Base, Oklahoma has been a long-time center for aviation repair and maintenance.

### DoD: Oklahoma Punches Above its Weight

For a state of about 4 million people, Oklahoma has an impressive number of Department of Defense bases – each with a unique direct or indirect aviation connection. And there's also the legacy Clinton Sherman AFB which now is home

to the Oklahoma Air & Space Port. Commerce's ACES team stays on top of each of these facilities across the state, and the economic impact to their respective home communities.

### Small Town Giants

The success of ACES goes well beyond the big cities. Places like Grove, Seminole, Bristow, Okmulgee, Burns Flat and many others are home to businesses in the aerospace and defense sector. We see steady growth in these small-town giants, creating broad prosperity across our state. We know that 60 new jobs from Premium Aerospace Center in Burns Flat is every bit as impactful as 600 jobs from Boeing in OKC.

### More to Follow

More expansion is on the horizon as we integrate and coordinate the efforts of our university-based applied research and Aerospace and Defense education via TU, OU, OSU, SWOSU, SOSU, and other education institutions. Unique facilities such as the Choctaw Nation's Daisy Ranch or the new Advanced Air Mobility Corridor spanning into the Osage Nation provide needed airspace that future drone manufacturers will need for research, development, testing and certifying new systems. Many have come in 2022 and more will follow in 2023 and beyond.

*Hopper Smith joined Commerce in September 2022. A retired Brigadier General from the Army National Guard and a former state legislator, Hopper brings more than 35 years of military and civilian executive experience in multiple professional domains. Most recently, he served as the Director of the Workers Comp Commission for the State of Oklahoma.*

# Aerospace and Defense Economic Development Progress

Since 2018, the state has invested \$4.4 million in the ACES program. Over that time, the ACES team has secured \$1.2 billion in new capital investment.

**\$4.4M**

*invested in  
ACES program*

**\$1.2B**

*in new capital  
investment*

## FROM THE BEGINNING

Since Nov. 1, 2018, Oklahoma ACES has helped secure

**40**

Project wins

**\$1,177,925,184**

Investment

**8,252**

New jobs created

METRO AREA WINS: 52% | RURAL AREA WINS 48%

## A RECAP OF 2022

**10**

Project wins

**\$69,938,633**

Investment

**1,088**

New jobs created

METRO AREA WINS: 60% | RURAL AREA WINS 40%

With the close of 2022, Commerce had 66 open A&D projects (potential for \$1.8 billion in capital investment and more than 5,000 new jobs with an average salary of \$63,279).



IN THE PIPELINE

**\$1,795,282,650**

Capital investment



**5,018**

New jobs



**\$63,279**

Average annual salary



# Major Aerospace & Defense News and Announcements

## HUNDREDS OF FOREIGN INVESTMENT JOBS AT OKLAHOMA AIR & SPACE PORT



Governor Kevin Stitt and local leaders announced that Premium Aerospace Center (PAC) will locate its international headquarters at the Oklahoma Air & Space Port complex in Burns Flat, Okla. PAC will invest several million dollars to renovate and expand two existing hangars and build a third hangar at the facility. PAC initially plans to hire upward of

30 employees with plans for future investments exceeding \$120 million, over the next few years, and a total job creation of between 450 to 600 employees. PAC signed a long-term lease and business development agreement at the aerospace industrial park and FAA-licensed spaceport at the Clinton-Sherman Airport. The renovated hangars and new hangar will accommodate 737 and larger aircraft for paint and interior remodeling for airline companies with strategies to further expand its business model. The company estimates as many as 600 new jobs to be added once the hangars are complete.

“We were impressed by Governor Stitt’s enthusiasm and warm invitation to establish our operations in Oklahoma,” said Lucas Conde, PAC General Manager. “The infrastructure investment by the State and the Department of Commerce and the Governor’s ‘can-do’ attitude solidified our decision to make our investment in Oklahoma.”

## OKLAHOMA AEROSPACE TAKES FLIGHT IN DOCUMENTARY FILM



In 2022, a documentary three years in the making premiered at EAA Airventure in Oshkosh, Wisc. “Inside the Sky: The Oklahoma Aerospace Documentary” was created by film maker Nik Coleman. Despite the COVID-19 pandemic, Coleman pushed forward with the creation of this film which charts the history and growth of the Oklahoma aerospace industry. It highlights the growth, adaption and innovation of Oklahoma’s aerospace sector and its companies. ACES partnered with Coleman on the creation of the documentary and connected him with Oklahoma companies and organizations in order to tell this important story.

# Major Announcements

## ➤ PREMIUM AEROSPACE CENTER

**HEADQUARTERS:** Burns Flat, Okla.

New foreign direct investment from Mexico with plans to invest up to \$120 million and create up to 600 jobs

## ➤ CONSOLIDATED TURBINE SPECIALISTS, A KRATOS COMPANY

**HEADQUARTERS:** Bristow, Okla.

Expanding Bristow facility with plans to add over 25 jobs

## ➤ SHEN TE ENTERPRISES

**HEADQUARTERS:** Tulsa, Okla.

A women-owned aerospace company with plans to invest more than \$5 million and add 25 new employees

## ➤ ACCURUS AEROSPACE

**HEADQUARTERS:** Tulsa, Okla.

Expanding Tulsa facility to add 170 new jobs over 5 years and invest more than \$3 million in machinery and equipment.



Shen Te Enterprises - Tulsa, Okla.





Biz Jet International - Tulsa, Okla.



# Statewide Outreach



## PROMOTING AEROSPACE WORKFORCE DEVELOPMENT



### Aerospace Workforce Development Video Campaign

During 2022, Oklahoma CareerTech, in partnership with ACES, launched a video series, "Cleared for Takeoff: Get Trained in Oklahoma Aerospace," highlighting career and training opportunities in Oklahoma's aerospace industry. Over the course of 10 months, CareerTech released 37 videos featuring the stories of people working and training in nearly every sector of aviation and aerospace. The videos combined have more than 9,100 views.



## GROWING EXPOSURE FOR DEPARTMENT OF DEFENSE OPPORTUNITIES

### Oklahoma Aerospace & Defense Industry Day

ACES hosted an Aerospace & Defense Industry Day at Rose State college alongside the Strategic Alternate Sourcing Program Office (SASPO) at Tinker Air Force Base. This event supports ACES's legislative mandate to increase contracts between Oklahoma aerospace and defense companies and the DoD and its prime contractors as well as provide more suppliers for OK military installations and the aviation, aerospace and defense industries. The event gave Oklahoma companies the opportunity to hear from Air Force leadership and program offices.

"We've heard from Oklahoma companies about the hurdles to doing business with the Department of Defense," said Leshia Pearson, Deputy Director, ACES. "The SASPO industry day brought companies in the same room as Air Force leadership – opening the door for communication and discussion on opportunities available."

The event also included face-to-face sessions with AF Supply Chain leadership, Oklahoma City Air Logistics Complex Business Office and Small Business Office. The event allowed Oklahoma aerospace and defense companies to learn about examples and details on where to find potential business opportunities with the USAF. Additionally, Vance Air Force Base Business Development and the 848th Supply Chain Management Group Director of Engineering provided briefings.

# Aerospace & Defense Team Services



Federal STEP funds support Oklahoma small businesses, increase export sales and diversify into international markets.

The program has supported 53 Oklahoma companies, including those in the aerospace sector.



ACES Team and Partners - AUSA 2022

## ▶ TRADE SHOW SUPPORT

The Commerce A&D Team leads national and international trade show delegations, providing an opportunity for Oklahoma companies that may not have the budget to attend on their own to display and meet with potential customers at some of the most highly attended industry events.

During 2022, the ACES team partnered with 28 Oklahoma companies, five agencies or organizations, five higher education institutions and 21 EDOs to attend seven trade shows throughout the year.

### **Farnborough International Airshow – July 2022**

At the 2022 Farnborough International Airshow, Oklahoma led its largest-ever delegation — a 70-person delegation representing 11 Oklahoma companies, four communities, the Oklahoma Manufacturing Alliance, three higher education institutions, the Oklahoma Aeronautics Commission, the Oklahoma Aeronautics Commission and two legislators. Together, the Oklahoma team met with more than 70 industry executives about what makes the state a hub for aerospace operations and training.

### **MRO Americas – April 2022**

MRO Americas marked the first major aerospace tradeshow since the COVID-19 pandemic. With the show being held in Dallas, it provided an increased opportunity for Oklahoma companies. The ACES team led the Oklahoma delegation which included 42 people, representing 11 companies, three Oklahoma communities, the Oklahoma Aeronautics Commission, , the Oklahoma Space Industrial Development Authority and the Public Service Company of Oklahoma.





American Airlines Tech Ops - Tulsa, Okla.

## ➤ SUPPLY CHAIN SUPPORT & EXPANSION

Through the supply chain platform, Connex Oklahoma, the ACES team is working alongside the Oklahoma Manufacturing Alliance to help Oklahoma manufacturers find new suppliers and diversify their businesses.

## ➤ BUSINESS-TO-BUSINESS EVENTS

The team facilitates B2B events to help Oklahoma companies become suppliers to commercial operations as well as the U.S. DoD and prime contractors. This year ACES became the signature sponsor of the Oklahoma Aerospace Forum hosted in OKC and had the largest attendance to date.

## ➤ DIGITAL MARKETING

Through the ACES Advocate, a regular digital newsletter, and active social media accounts, ACES delivers valuable content, including exclusive event announcements, business opportunities, program updates and relevant industry news.



**ACES ADVOCATE:**  
**21%** Increase



**LINKEDIN**  
**27%** Increase



**FACEBOOK**  
**11%** Increase



**TWITTER**  
**34%** Increase



**45%**  
total audience  
increase across digital  
marketing platforms



# Looking Forward

Oklahoma boasts a robust legacy in space, aviation (together known as aerospace), and defense. For over 70 years, the state has played host to what are now the largest military and commercial aircraft maintenance, repair, and overhaul (MRO) centers in the world: Tinker Air Force Base (AFB) in Oklahoma City and American Airlines Technical Operations in Tulsa.

Oklahoma remains an extremely competitive and attractive state for manufacturing-heavy operations. It is from this position the state will grow the A&D industry to the number one economic engine. Existing public policy and tax laws are favorable to business, especially in the A&D industry. Our attractive cost of living, vibrant cities, open spaces for flight test, and favorable weather climate make Oklahoma an ideal location for aerospace and defense operations.

Moving forward, it is critical the state's strategy pivot to establishment and development of cutting-edge technologies that can take root and grow here. Leveraging the workforce, resources, and inherent attractiveness, Oklahoma will build on its aerospace legacy to become a nation-leading incubator for technology innovation in A&D, attracting startups and larger companies to the state.

## ➤ ACES AEROSPACE & DEFENSE RECRUITING STRATEGY

The state's A&D industries are vast and highly complex. In order to maximize efforts, the ACES team is focusing on 4 broad-based objectives that are designed to provide the greatest return. These strategic pillars provide the basis for our state's A&D strategy:

- 1** Provide the infrastructure to recruit, educate, and train the workforce needed to sustain and grow the aerospace industry within the state.
- 2** Create an environment to attract startups of advanced technologies (additive technologies, batteries, electric propulsion, commercial space, unmanned systems) that are interwoven and connected to one another.
- 3** Develop a university-led innovation cluster to support the aerospace and defense industry of the future.
- 4** Position Oklahoma to be the center of excellence for the aviation engine sustainment enterprise.



Governor Kevin J. Stitt and Partners - Farnborough Air Show 2022



**OKLAHOMA**  
**Commerce**

**[OKcommerce.gov/aces](https://okcommerce.gov/aces)**

900 N. Stiles Ave.

Oklahoma City, OK 73104

405-815-6552 | 800-588-5959